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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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7 MLC INTELLECTUAL PROPERTY, LLC,
8 Plaintiff,
9 v.
10 MICRON TECHNOLOGY, INC.,
11 Defendant.

Case No. [14-cv-03657-SI](#)

**ORDER DENYING MICRON'S
MOTION TO STAY PENDING EX
PARTE REEXAMINATION**

Re: Dkt. No. 359

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13 Micron's motion to stay pending *ex parte* reexamination is scheduled for a hearing on April
14 19, 2019. Pursuant to Civil Local Rule 7-1(b), the Court determines that the matter is appropriate
15 for resolution without oral argument and VACATES the hearing. For the reasons set forth below,
16 the Court DENIES the motion.

17 Micron requests that the Court stay this litigation pending an *ex parte* reexamination of the
18 patent-in-suit by the United States Patent and Trademark Office ("PTO"). Micron states that it filed
19 the request in view of MLC's statements during the prior reexamination and the relevance of a
20 "previously unconsidered" combination of prior art references, Kitamura, Noguchi *et al.*, U.S.
21 Patent No. 5,262,984 ("Kitamura"), and Briner *et al.*, U.S. Patent No. 4,629,972 ("Briner"). Micron
22 argues that a stay would maximize judicial economy and that the cause of action in this lawsuit will
23 be moot if the asserted claims are canceled in the *ex parte* reexamination. MLC opposes a stay on
24 numerous grounds.

25 "Courts have inherent power to manage their dockets and stay proceedings, including the
26 authority to order a stay pending conclusion of a PTO reexamination." *Ethicon, Inc. v. Quigg*, 849
27 F.2d 1422, 1426-27 (Fed. Cir. 1988) (citations omitted). In determining whether to grant a stay
28 pending PTO review, courts consider three main factors: (1) whether discovery is complete and

1 whether a trial date has been set; (2) whether a stay will simplify the issues in question and trial of
2 the case; and (3) whether a stay would unduly prejudice or present a clear tactical disadvantage to
3 the non-moving party. *Telemac Corp. v. Teledigital, Inc.*, 450 F. Supp. 2d 1107, 1111 (N.D. Cal.
4 2006); *accord Pi-Net Int'l, Inc. v. Focus Bus. Bank*, No. C-12-4958-PSG, 2013 WL 4475940, at *3
5 (N.D. Cal. Aug. 16, 2013).

6 The Court has considered the parties' arguments and the posture of this case and finds that
7 a stay is not warranted. The Court has stayed this case twice already, first in 2015-16 pending
8 Micron's unsuccessful request for *inter partes* review ("IPR"), and a second time in 2017-18
9 pending Micron's unsuccessful institution of an *ex parte* reexamination. As MLC notes, Micron
10 asserted the Kitamura reference in the IPR and previous *ex parte* reexamination, and each time the
11 PTO and the PTAB have found that the asserted claims are valid. The PTO's decision in this second
12 *ex parte* reexamination is not binding on this Court, and Micron will not be estopped from asserting
13 the same invalidity defenses based on Kitamura at trial.

14 The Court previously stayed this case because, *inter alia*, discovery was in early stages, no
15 trial date was set, and, in the last reexamination, Micron was raising the obviousness-type double
16 patenting challenge before the PTO. Now, discovery is almost complete, the parties have exchanged
17 expert reports, pretrial filings are due April 15, 2019, and trial is set for August 12, 2019. Further,
18 the OTDP defense is no longer part of this case. The Court has repeatedly informed the parties that
19 the Court will not make any further adjustments to the pretrial and trial schedule. Under all of these
20 circumstances, the Court finds that a third stay will not promote judicial economy and would be
21 prejudicial to MLC, and therefore DENIES Micron's motion for a stay.

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23 **IT IS SO ORDERED.**

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25 Dated: April 1, 2019



SUSAN ILLSTON
United States District Judge